

John R. Kasich, Governor Mary Taylor, Lt. Governor Craig W. Butler, Interim Director

January 24, 2014

Re: Fairborn

Greene County

Application No. 933544

Application for Dovetail Energy LLC - High solids

anaerobic digester at 1146 Herr Road Plans Received on June 05, 2013

Revised Plans Received November 14, 2013

From: Quasar Energy Group LLC

CERTIFIED MAIL

Quasar Energy Group LLC Attn: Bruce Bailey 5575 Granger Road Suite 320 Independence, OH 44131

Ladies and Gentlemen:

Enclosed is an approved Ohio EPA Permit to Install. This permit contains several conditions and restrictions, I urge you to read it carefully. A general condition of your permit states that issuance of the permit does not relieve you of the duty of complying with all applicable federal, state, and local laws, ordinances, and regulations. You are hereby notified that this action of the Director is final and may be appealed to the Environmental Review Appeals Commission pursuant to Section 3745.04 of the Ohio Revised Code. The appeal must be in writing and set forth the action complained of and the grounds upon which the appeal is based. The appeal must be filed with the Commission within thirty (30) days after notice of the Director's action. The appeal must be accompanied by a filing fee of \$70.00, made payable to "Ohio Treasurer Josh Mandel", which the Commission, in its discretion, may reduce if by affidavit you demonstrate that payment of the full amount of the fee would cause extreme hardship. Notice of the filing of the appeal shall be filed with the Director within three (3) days of filing with the Commission. Ohio EPA requests that a copy of the appeal be served upon the Ohio Attorney General's Office, Environmental Enforcement Section. An appeal may be filed with the Environmental Review Appeals Commission, 77 South High Street, 17th Floor, Columbus, OH 43215. If you have any questions, please contact the Ohio EPA District Office.

Ohio EPA has developed a customer service survey to get feedback from regulated entities that have contacted Ohio EPA for regulatory assistance, or worked with the Agency to obtain a permit, license or other authorization. Ohio EPA's goal is to provide our customers with the best possible customer service, and your feedback is important to us in meeting this goal. Please take a few minutes to complete this survey and share your experience with us at http://www.surveymonkey.com/s/ohioepacustomersurvey. If you have any questions, please contact the Ohio EPA district office to which you submitted your application.

Sincerely.

Ed Swindall, Supervisor

Permit Processing Unit, Division of Surface Water

ES/sg Enclosure

cc: Southwest District Office

Greene County Combined Health District

Ohio Department of Agriculture

Ohio Environmental Protection Agency

Permit to Install

Application No: 933544

Applicant Name:

Quasar Energy Group LLC

Address:

7624 Riverview Road

City:

Cleveland

State Zip:

OH 44141

Person to Contact:

Bruce Bailey

Telephone:

216-538-1151

Description of Proposed Source: Dovetail Energy LLC - High solids anaerobic digester at 1146 Herr

Road, Fairborn, Greene County

Issuance Date: January 24, 2014 Effective Date: January 24, 2014

The above named entity is hereby granted a permit to install for the above described source pursuant to Chapter 3745-42 of the Ohio Administrative Code. Issuance of this permit does not constitute expressed or implied approval or agreement that, if constructed or modified in accordance with the plans included in the application, the above described source of environmental pollutants will operate in compliance with applicable state and federal laws and regulations. Issuance of this permit does not constitute expressed or implied assurance that, if constructed or modified in accordance with those plans and specifications, the above described source of pollutants will be granted the necessary operating permits. This permit is granted subject to the following conditions attached hereto.

Ohio Environmental Protection Agency

Craig W. Butler Interim Director

P.O. Box 1049

50 West Town Street, Suite 700

Columbus, OH 43216-1049

Quasar Energy Group LLC Page 2 of 4 January 24, 2014

This permit shall expire if construction has not been initiated by the applicant within eighteen months of the effective date of this permit. By accepting this permit, the applicant acknowledges that this eighteen month period shall not be considered or construed as extending or having any effect whatsoever on any compliance schedule or deadline set forth in any administrative or court order issued to or binding upon the permit applicant, and the applicant shall abide by such compliance schedules or deadlines to avoid the initiation of additional legal action by the Ohio EPA.

The director of the Ohio Environmental Protection Agency, or his authorized representatives, may enter upon the premises of the above named applicant during construction and operation at any reasonable time for the purpose of making inspections, conducting tests, examining records, or reports pertaining to the construction, modification, or installation of the above described source of environmental pollutants.

Issuance of this permit does not relieve you of the duty of complying with all applicable federal, state, and local laws, ordinances, and regulations.

Any well, well point, pit, or other device installed for the purpose of lowering the ground water level to facilitate construction of this project shall be properly abandoned in accordance with the provisions of this plan or as directed by the director or his representative.

Any person installing any well, well point, pit or other device used for the purpose of removing ground water from an aquifer shall complete and file a Well Log and Drilling Report form with the Ohio Department of Natural Resources, Division of Water, within 30 days of the well completion in accordance with the Ohio Revised code Section 1521.01 and 1521.05. In addition, any such facility that has a capacity to withdraw waters of the state in an amount greater than 100,000 gallons per day from all sources shall be registered by the owner with the chief of the Division of Water, Ohio Department of Natural Resources, within three months after the facility is completed in accordance with Section 1521.16 of the Ohio Revised Code. For copies of the necessary well log, drilling report, or registration forms, please contact:

Ohio Department of Natural Resources 2045 Morse Road Bldg. E Columbus, OH 43229-6693 (614) 265-6717

The proposed wastewater disposal system shall be constructed in strict accordance with the plans and application approved by the director of the Ohio Environmental Protection Agency. There shall be no deviation from these plans without the prior express, written approval of the agency. Any deviations from these plans or the above conditions may lead to such sanctions and penalties as provided for under Ohio law. Approval of these plans and issuance of this permit does not constitute an assurance by the Ohio Environmental Protection Agency that the proposed facilities will operate in compliance with all Ohio laws and regulations. Additional facilities shall be installed upon orders of the Ohio Environmental Protection Agency if the proposed sources are inadequate or cannot meet applicable standards.

If the construction area for this project is one acre or more, or is part of a larger development that is one acre or more, the applicant must submit a Notice of Intent (NOI) for coverage under the general construction stormwater permit to Ohio EPA at least 21 days prior to the start of construction of this project.

Quasar Energy Group LLC Page 3 of 4 January 24, 2014

For projects involving construction or placement of fill in a stream or wetland, the applicant shall contact the appropriate district of the U.S. Army Corps of Engineers for a determination regarding potential impacts to water of the state as well as the requirements for obtaining, if necessary, certification. The applicant shall acquire a Section 404 permit and 401 water quality certification, if needed, before impacting any waters of the state as part of this project.

Dovetail Energy is approved to accept the following feed stock materials: farm and livestock manure, municipal sludge, organic food waste (liquid, semi-solid, solid), Fats, Oil and Grease (FOG), Energy Crops (including off-spec. or damaged agricultural products, grain, hay, silage, feed, stover, etc.), Glycerin, Stillage, and other bioproduct. All other feedstocks must be separately approved by Ohio EPA. A feedstock authorization request shall consist of a comprehensive evaluation of the proposed feedstock and a description of the pilot project that will be performed to demonstrate that the beneficial use of the generated biosolids will reasonably protect public health and the environment.

Dovetail Energy LLC shall be responsible for proper operation and maintenance of the sewerage treatment system.

In order to minimize potential odors, all biosolids land applied at authorized sites for Dovetall Energy LLC shall be injected beneath the surface of the ground or immediately incorporated into the soil.

This permit to install applies only to the wastewater disposal system listed above. The installation of drinking water supplies, air contaminant sources, or solid waste disposal facilities will require the submittal of a separate application to the director.

All off-site storage facilities must be approved by the Ohio EPA prior to the introduction of bio solids.

This permit applies to a wastewater disposal system designed to serve an average daily hydraulic flow of no more than 34,550 gallons.

No liquids, sludges, or toxic or hazardous substances other than those set forth in the approved permit shall be accepted for disposal without the prior written approval of the Ohio Environmental Protection Agency.

The Southwest District office of the Ohio Environmental Protection Agency shall be notified in writing as to (a) the construction starting date; (b) the construction completion date; and (c) the date the wastewater disposal system was placed into operation.

The treatment system must be operated and maintained in strict accordance with the approved Operations and Maintenance Plan, and the facilities Sludge Management Plan.

Operations and Maintenance records, as defined in the facilities approved Operations and Maintenance Plan, must be maintained on-site for a minimum of 5 years.

The permit to install is not an authorization to discharge pollutants to waters of the state. Pursuant to Chapter 6111 of the Ohio Revised Code, the applicant shall apply for a permit to discharge (NPDES) 180 days prior to any discharge of pollutants to waters of the state.

Approval from the Ohio EPA must be obtained prior to the acceptance of any new feed stock not included in the original PTI approval.

Dovetail Energy must respond within 24 hours of the receipt of all complaints of spills, objectionable odors, etc. Corrective actions in accordance with the facilities Spill and Odor response plans must be taken immediately upon verification of a reported spill, odor complaint, etc.

Quasar Energy Group LLC Page 4 of 4 January 24, 2014

Final certification of both synthetic liner installations must be provided to the Ohio EPA Southwest District Office within 30 days of the completion of the installation.

Fugitive dust generated by this sewer construction project shall be controlled as specified in OAC 3745-17-08 (B).